

NOTICE

A meeting of the City of DeSoto Housing Finance Corporation will be held on Tuesday, October 18, 2011 at 6:00 p.m., in the City Council Conference Room located in the City Hall of DeSoto Town Center, 211 East Pleasant Run Road.

AGENDA

- I. ELECTION OF OFFICERS – PRESIDENT, VICE-PRESIDENT, & SECRETARY/TREASURER**
- II. APPROVAL OF 10/21/08 MINUTES**
- III. REPORT OF TREASURER**
- IV. CONSIDER APPROVAL OF RESOLUTION APPROVING MODIFICATIONS TO THE TRUST INDENTURE, SERIES 2004 REVENUE BONDS (HICKORY MANOR SENIOR APARTMENTS)**
- V. DESIGNATION OF HEARING OFFICER**
- VI. OTHER BUSINESS**
- VII. ADJOURNMENT**

The building in which the above meeting will be conducted is wheelchair accessible. Parking spaces for the mobility impaired are available. Requests for sign interpretative services must be made forty-eight hours prior to the time of the meeting. Arrangements for sign interpretative services may be made by calling the City Secretary at 972/230-9646 or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas 1-800-735-2989.

I hereby certify that the above agenda was posted on the bulletin board in the City Hall at DeSoto Town Center, 211 E. Pleasant Run Road on _____, 2011, at _____M.

Camelia Browder, Secretary-Treasurer

CITY OF DeSOTO
MEMORANDUM

TO: Board of Directors of DeSoto Housing Finance Corporation

FROM: Camelia Browder,
Secretary/Treasurer

SUBJECT: Officer Election – President, Vice-President, and Secretary-Treasurer

DATE: October 10, 2011

The last board meeting was on October 21, 2008.

The Board of Directors for this Corporation consists of the seated Mayor and Councilmembers. During the July 6, 2010 Council Meeting the elected officials were appointed to this board. Since that time, there has been no change to the seated council members and therefore, no change to the seated board members for this corporation.

Prior to official actions being taken, the officers will need to be elected. As a point of reference, the Mayor and Mayor Pro-Tem have been elected President and Vice-President during the past few years. Also, the Secretary-Treasurer, Camelia Browder, has been succeeded by Edena Atmore as the Managing Director of Financial Services, so the elections should include this position as well.

MINUTES OF THE BOARD OF DIRECTORS OF
DESOTO HOUSING FINANCE CORPORATION

THE STATE OF TEXAS)

COUNTY OF DALLAS)

The Board of Directors of the DeSoto Housing Finance Corporation convened at 6:06 p.m. on October 21, 2008 at its designated meeting place, 211 E. Pleasant Run Rd., DeSoto, Texas. The following members were present:

Bobby Waddle, President

Patricia Ledbetter

Denise Valentine

Carl Williams

Carl Sherman, Vice President

Deshaundra Lockhart

Sandy Respass

MOTION by Carl Williams, seconded by Sandy Respass, to elect Bobby Waddle, as President and Carl Sherman as Vice President. MOTION unanimously carried.

MOTION by Carl Williams, seconded by Denise Valentine, to approve the minutes of July 3, 2007 as presented. MOTION unanimously carried.

MOTION by Deshaundra Lockhart, seconded by Sandy Respass, to approve the Treasurer's Report as submitted. MOTION unanimously carried.

There was no other business brought before the Board.

Upon motion duly made and seconded the meeting was adjourned at 6:14 p.m.

CARL SHERMAN, President

CAMELIA BROWDER, Secretary/Treasurer

**TREASURER'S REPORT
CITY OF DESOTO
DESOTO HOUSING FINANCE CORPORATION**

**Tuesday October 18, 2011
6:00 P.M.**

BALANCE ON HAND AUGUST 31, 2008		\$ 29,471.43
DEPOSITS:		
Interest earnings	1,070.53	
Admin Fees rec'd	118,171.60	
		<u>\$ 119,242.13</u>
TOTAL FUNDS AVAILABLE		\$ 148,713.56
EXPENDITURES:		
Neighborhood Grants	27,500.00	
Miscellaneous	25.00	
		<u>27,525.00</u>
TOTAL FUNDS ON HAND September 30, 2011		\$ 121,188.56

CITY OF DeSOTO
MEMORANDUM

TO: Board of Directors of DeSoto Housing Finance Corporation

FROM: Camelia Browder,
Secretary/Treasurer

SUBJECT: Resolution relating to modifications to the trust indenture and related bond documents associated with the Hickory Manor Senior Apartments Bonds Series 2004

DATE: October 10, 2011

The Borrower associated with the Series 2004 Revenue Bonds for the Hickory Manor Senior Apartments underwent bankruptcy proceedings. The borrower, the bank, and the trustee have agreed to modify the Bonds in accordance with the terms of the Modification Agreement.

Robert Dransfield, Fulbright and Jaworski, our bond attorney for this corporation will present and explain the process and introduce the participants in this modification. As was the case with the original issue, the DeSoto Housing Finance Corporation will not be liable for the repayment of this debt and is strictly a conduit for this transaction.

DESOTO HOUSING FINANCE CORPORATION

RESOLUTION RELATING TO MODIFICATIONS TO THE TRUST INDENTURE AND RELATED BOND DOCUMENTS ASSOCIATED WITH THE DESOTO HOUSING FINANCE CORPORATION VARIABLE RATE DEMAND MULTIFAMILY HOUSING REVENUE BONDS (HICKORY MANOR SENIOR APARTMENTS) SERIES 2004, AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the DeSoto Housing Finance Corporation (the "Issuer") has been created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, as amended, V.T.C.A., Local Government Code, Chapter 394 (the "Act"), for the purposes of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices ore rentals they can afford; and

WHEREAS, the Hickory Manor Senior Apartments consist of a 190-unit multifamily housing facility located in the City of DeSoto, Texas (the "Project");

WHEREAS, the Project was financed by a mortgage loan from the Issuer to OHC/De Soto I Ltd. (the "Borrower") and such loan was funded with the proceeds of the Issuer's Variable Rate Demand Multifamily Housing Revenue Bonds (Hickory Manor Senior Apartments) Series 2004 (the "Original Bonds"), pursuant to a Trust Indenture dated as of June 1, 2004 (the "Indenture") between the Issuer and U.S. Bank National Association as successor to SouthTrust Bank (the "Trustee") and a Financing Agreement dated as of June 1, 2004 (the "Financing Agreement") by and among the Issuer, the Borrower and the Trustee;

WHEREAS, in accordance with the terms and provisions of the Borrower's Second Amended Plan of Reorganization, as modified (the "Reorganization Plan") dated October 1, 2009, as approved by that certain Order Confirming the Debtor's Second Amended Plan of Reorganization as Modified, and Findings of Fact and Conclusions of Law in Support Thereof, entered by United States Bankruptcy Court for the Northern District of Texas Dallas Division on December 16, 2009, certain changes were proposed to be made to the financing documents associated with the Bonds;

WHEREAS, all of the Bonds remain outstanding;

WHEREAS, the Borrower, JPMorgan Chase Bank, N.A., successor to JPMorgan Chase (the "Bank"), the Issuer, and the Trustee have agreed to modify certain of the JPMorgan Secured Claim Documents, as defined in the Reorganization Plan including, without limitation, the Letter of Credit Promissory Note, the Loan Agreement by and between the Borrower and the Bank and the Third Lien Deed of Trust (With Security Agreement and Assignment of Rents and Leases) of even date with the Letter of Credit Note, from the Borrower, all as set forth in the Modification Agreement (the "Modification Agreement"), among the Borrower, the Bank, the Issuer and the Trustee, which is attached hereto as **Exhibit A** and incorporated herein for all purposes;

WHEREAS, the Bank is the owner of 100% of the outstanding Bonds and has expressed its consent to make certain modifications to the Bonds in accordance with the terms of the Modification Agreement;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DESOTO HOUSING FINANCE CORPORATION THAT:

Section 1. Based solely upon the representations made to the Board of Directors (the "Board") by the Bank, as the owner of 100% of the Bonds, that the Bank intends to consent to the Modification Agreement and the Borrower's request to the Issuer to enter into the Modification Agreement, the Board hereby approves the Modification Agreement in substantially the form and substance presented to the Board with such changes or additions thereto as may be approved by the President or Vice President of the Issuer (upon the advice of bond counsel to the Issuer) and the President or Vice President of the Issuer are each hereby authorized and directed for and on behalf of the Issuer, to execute the Modification Agreement and such officers are authorized to deliver the Modification Agreement. Upon execution by the parties thereto and delivery thereof the Modification Agreement shall be binding upon the parties thereto in accordance with the terms and provisions thereof.

Section 2. The President or the Vice President of the Issuer are authorized to approve and execute any documents associated with the Bonds as they deem necessary or appropriate upon the advice of bond counsel to the Issuer. The execution of such documents by either of such officers shall constitute conclusive evidence of such approval.

Section 3. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution. In case any obligation of the Issuer authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Issuer to the fullest extent permitted by law.

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Adopted this October 18, 2011.

DESOTO HOUSING FINANCE
CORPORATION

President

Attest:

Secretary/Treasurer

EXHIBIT A
MODIFICATION AGREEMENT

CITY OF DeSOTO
MEMORANDUM

TO: Board of Directors of DeSoto Housing Finance Corporation

FROM: Camelia Browder,
Secretary/Treasurer

SUBJECT: Designation of Hearing Officer

DATE: September 30, 2011

It is recommended that the Board designate Edena Atmore as the hearing officer for the purpose of conducting future Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearings for the DeSoto Housing Finance Corporation. This will enable the hearings to be conducted as necessary without additional meetings of the Board. The results will then be reported to the Board as required prior to action being taken.

As required by Federal Tax Law, the approval of the public hearing will still be required by either the Mayor or the full Council. Generally, the TEFRA hearing has been approved by the Mayor on behalf of the city officials since the Council is also the Board of Directors for this Corporation. Bob Dransfield will be present during the October 18, 2011 Board Meeting to answer any questions you might have.